

SP 15.4 Source Selection (re: 4-2-06 draft revision):

Substantive changes made for the 4-3-06 revision:

SP 15.4 is a new SP for LBNL and replaces LBNL's current SI 15.1 *Source Selection*, which is deleted in its entirety. On the topic of source selection, LBNL management decided to adopt P-500 *Supplier Selection* from LLNL's "Commercial Manual" instead of the text in SI 15.1. However, instead of creating a separate "Commercial Manual" at LBNL, we converted LLNL's P-500 document into the SP format and made a few revisions to suit LBNL's specific needs as follows:

1. Makes small edits and adds a RESPONSIBILITIES section to be consistent with the SP format.
2. Cross-references LBNL's SP 15.1 *Subcontracting by Negotiation – General*.
3. Changes LBNL's terms "lowest evaluated offer" and "best value source selection" with a selection and evaluation continuum from cost/price being the primary factor to significant non-cost/price factors being primary. LBNL management considers *all* negotiated procurements as "best value source selections"; it's only a matter of how numerous and complicated the selection and evaluation factors are.
4. Clarifies that the basis of award will normally be for the offer containing the combination of factors that offer the best overall value to the Laboratory
5. Increases the requirement for Group Managers to approve verbal solicitations over \$500,000 instead of \$100,000.
6. Adds the requirement that verbal proposals over \$100,000 must be submitted by offerors to the Laboratory in writing prior to issuance of the subcontract.
7. Deletes reference to the *Conflict of Interest Requirements for UC/DOE Laboratories* because, according to our Conflict of Interest Coordinator, it was only a "white paper" created over 10 years ago, is not binding on the Laboratories, and is not part of the University's procedures.